

# MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC # **039-2016**

LETTER TO COMMISSION

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: January 28, 2016

SUBJECT: **CAR2GO TERMINATION OF AGREEMENT**

The purpose of this LTC is to advise the Mayor and City Commission that car2go, our car-sharing service provider, is exercising their right to terminate their contract with the City. They have provided the required thirty (30) day notice (see attached letter) and will cease operation in the City effective March 1, 2016. Per contract specifications, car2go, which started operating in the City on October 1, 2015, waives any claim to any portion of the total prepaid Program Cost of \$219,542.40.

In a recent meeting, car2go advised the City that despite growing CMB business, which they previously had stated was 40% of their total South Florida business, they were not meeting the revenue to make their operation successful. They cited Florida taxes and competition in the transportation industry as two of the factors inhibiting their success. Car2go will also cease their City of Miami operation.

This is CMB's second attempt at car sharing service. A previous contract with Hertz was also unsuccessful. Car2go was the only responder to the last solicitation. The Administration will research other opportunities to provide car-sharing service in the City.

c: Kathie Brooks, Assistant City Manager  
Mark Taxis, Assistant City Manager  
Susanne Torriente, Assistant City Manager  
John Woodruff, Budget Director  
Eric Carpenter, Assistant City Manager/Public Works Director  
Marcia Monserrat, Special Projects Coordinator  
Nannette Rodriguez, Communications Director  
Jose Gonzalez, Transportation Director  
Saul Frances, Parking Director

JLM/KGB/SF

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January 26, 2016

Via Federal Express

Saul Frances  
City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, Florida 33139

**RE: Car Share Program Agreement  
Dated: September 16, 2015**

Dear Mr. Frances:

This letter is to inform you of car2go's intent to terminate the Car Share Program Agreement (the "Agreement") between car2go N.A., LLC and the City of Miami Beach.

We regret to inform you that we are suspending our service in Miami Beach. Pursuant to section 2.d. of the Agreement, we are providing thirty (30) days' notice of our intent to terminate the Agreement, and such termination shall be effective as of March 1, 2016.

You may contact me using the information below should you have any questions or concerns.

Best regards,

A handwritten signature in black ink, appearing to read "Alifya Curtin", written over a horizontal line.

Alifya Curtin  
General Counsel

**DAIMLER**  
A Daimler North America Company

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